

Response
Application No. 10/734,204
Attorney Docket No. 032177

REMARKS

Claims 1-7 are pending in this application. By this Amendment, claims 1, 4, 5, 6 and 7 have been amended and claim 3 has been cancelled. No new matter is added. Applicants believe this response is fully responsive to the Office Action dated May 7, 2007.

Allowable Subject Matter:

Applicants gratefully acknowledge the indication in items 14-16 of the Action that claims 4-6 would be allowable if amended to include all of the features of the base and intervening claims. However, for at least the reasons set forth below, it is respectfully submitted that all of claims 1, 2 and 4-7 are allowable.

Specification:

The specification stands objected to in item 1 due to a minor informality. It is submitted that such informality has been corrected. Accordingly, withdrawal of this objection is respectfully requested.

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Claim Rejections – 35 U.S.C. § 112, Second Paragraph:

Claim 5 and 6 stand rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failure to particularly point out and distinctly claim the subject matter which Applicants regard as the invention.

This rejection is respectfully traversed.

It is respectfully submitted that claim 5 has been amended to overcome this rejection. Accordingly, withdrawal of this rejection is respectfully requested.

As to the Merits:

As to the merits of this case, the Examiner sets forth the following rejections:

claims 1, 2, 6 and 7 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Nozawa et al. (USP 6,937,773); and

claims 3 and 6 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Nozawa in view of Kaku (USP 6,968,119).

Each of these rejections is respectfully traversed.

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Applicants submit that the rejection of claims 3 and 6 under 35 U.S.C. §103(a) is improper in view of the statutory language provided in 35 U.S.C. §103(c)(1) which calls for the following:

Subject matter developed by another person, which qualifies as prior art only under one or more subsections (e), (f), and (g) of §102 of this title shall not preclude patentability under this section where the subject matter in the claimed invention were, at the time the claimed invention was made, owned by the same person or subject to an obligation of assignment to the same person.

That is, at the time the present claimed invention was made, Kaku and the present application were each assigned to or subject to an obligation of assignment to Sanyo Electric Co., Ltd. Accordingly, while the Examiner is entitled to reject the claims under §102(e) as being anticipated by Kaku, the Examiner is precluded to rely on Kaku in a rejection under 35 USC §103(a) in view of 35 U.S.C. §103(c)(1).

It is respectfully submitted that each of the independent claims 1 and 7 have been amended to include the features of cancelled claim 3. More specifically, each of the independent claims 1 and 7 calls for a fourth validator for validating a fourth compression rate higher than said second compression rate regarding said second portion image. As noted above, the Examiner is precluded from relying on the teachings of Kaku for teachings these features now set forth in independent claims 1 and 7.

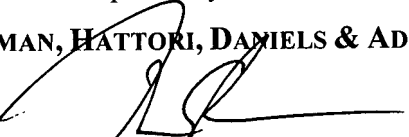
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In view of the aforementioned amendments and accompanying remarks, Applicants submit that the claims, as herein amended, are in condition for allowance. Applicants request such action at an early date.

If the Examiner believes that this application is not now in condition for allowance, the Examiner is requested to contact Applicants' undersigned attorney to arrange for an interview to expedite the disposition of this case.

If this paper is not timely filed, Applicants respectfully petition for an appropriate extension of time. The fees for such an extension or any other fees that may be due with respect to this paper may be charged to Deposit Account No. 50-2866.

Respectfully submitted,
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